

## **NEWS RELEASE**



For Release: Wednesday, June 25, 2014 14-898-SAN

WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 • BLSinfoSF@bls.gov • www.bls.gov/regions/west/

Media contact: (415) 625-2270

## Minimum Wage Workers in Hawaii – 2013

Of the 325,000 workers paid hourly rates in Hawaii in 2013, 10,000 earned exactly the prevailing federal minimum wage of \$7.25 per hour, while 5,000 earned less, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Richard J. Holden noted that the 15,000 workers earning the federal minimum wage or less made up 4.6 percent of all hourly-paid workers in the state. Nationwide, those earning the federal minimum or less accounted for 4.3 percent of the hourly-paid workforce. (The Hawaii minimum wage is equal to the prevailing Federal minimum wage.)

In 2007, 4,000 hourly-paid workers earned the prevailing federal minimum wage or less in Hawaii, tied for the lowest level since data were first available in 2000. The 4,000 workers in this category accounted for 1.2 percent of all hourly-paid workers in the state. (See <u>chart 1</u>.) It was also in 2007 that the federal minimum wage began increasing after holding steady for nearly a decade. Two additional increases in the federal minimum wage followed, resulting in more Hawaii workers falling into this category, ranging between 14,000 and 15,000.

Percent
6.0
4.0
Federalminimum wage \* \$5.15

2.0

1.0

2008

2009

At minimum wage

2010

2011

Below minimum wage

2012

2013

Chart 1. Percentage of hourly-paid wage and salary workers with earnings at or below the prevailing Federal minimum wage in Hawaii, annual averages, 2003-2013

Source: U.S. Bureau of Labor Statistics.

2004

2003

2005

At or below minimum wage

2006

From 2012 to 2013, the portion of hourly-paid workers in Hawaii who earned at or below the federal minimum wage increased from 4.2 to 4.6 percent. The percentage of workers earning less than the federal minimum fell 0.6 percentage point in 2013 to 1.5 percent, while the share earning exactly the minimum wage rose 1.0 percentage point to 3.1 percent.

2007

Of the 15,000 workers earning the federal minimum wage or less in Hawaii in 2013, approximately half were women. These women represented 4.5 percent of all women paid hourly rates in the state. Men earning the minimum wage or less in Hawaii accounted for 4.2 percent of all men paid hourly rates in the state. (See <u>table A.</u>)

Table A. Employed wage and salary worker<sup>(1)</sup> paid hourly rates with earnings at or below the prevailing Federal minimum wage in the State of Hawaii, by sex, annual averages

	Numl	oer of worke	ers (in thous	ands)	Percent c			
		At or be	low minimu	m wage	At or be			
	Total paid		At	Below		At	Below	Median
	hourly		minimum	minimum		minimum	minimum	earnings
Hawaii	rates	Total (2)	wage	wage	Total (2)	wage	wage	(in dollars)
Total, both sexes								
2003	309	4	1	3	1.3	0.3	1.0	11.16
2004	329	5	1	4	1.5	0.3	1.2	11.13
2005	341	4	>0	4	1.2	0.0	1.2	12.04
2006	347	4	1	3	1.2	0.3	0.9	12.30
2007	338	4	>0	4	1.2	0.0	1.2	12.81

Note: See footnotes at end of table.

Table A. Employed wage and salary worker<sup>(1)</sup> paid hourly rates with earnings at or below the prevailing Federal minimum wage in the State of Hawaii, by sex, annual averages - Continued

	Numl	oer of worke	rs (in thous	ands)	Percent c			
			low minimu	,	At or be			
Hawaii	Total paid hourly rates	Total (2)	At minimum wage	Below minimum wage	Total (2)	At minimum wage	Below minimum wage	Median earnings (in dollars)
2008	338	5	>0	5	1.5	0.0	1.5	13.05
2009	320	9	3	6	2.8	0.9	1.9	13.11
2010	318	15	8	7	4.7	2.5	2.2	13.82
2011	321	15	8	7	4.7	2.5	2.2	13.57
2012	331	14	7	7	4.2	2.1	2.1	14.26
2013	325	15	10	5	4.6	2.1	1.5	13.62
Total, men								
2003	160	2	1	1	1.3	0.6	0.6	12.03
2004	169	1	>0	1	0.6	0.0	0.6	12.19
2005	168	1	>0	1	0.6	0.0	0.6	13.21
2006	174	1	>0	1	0.6	0.0	0.6	13.86
2007	174	1	>0	1	0.6	0.0	0.6	14.67
2008	175	3	>0	3	1.7	0.0	1.7	14.01
2009	165	4	1	3	2.4	0.6	1.8	14.72
2010	160	5	3	2	3.1	1.9	1.3	14.95
2011	160	8	4	4	5.0	2.5	2.5	14.67
2012	177	7	4	3	4.0	2.3	1.7	14.97
2013	168	7	4	3	4.2	2.4	1.8	14.39
Total, women								
2003	149	2	0	2	1.3	0.0	1.3	10.12
2004	160	3	>0	3	1.9	0.0	1.9	10.12
2005	173	3	>0	3	1.7	0.0	1.7	10.98
2006	173	3	1	2	1.7	0.6	1.2	11.18
2007	164	3	>0	3	1.8	0.0	1.8	11.71
2008	163	3	0	3	1.8	0.0	1.8	12.14
2009	155	5	2	3	3.2	1.3	1.9	12.02
2010	158	10	5	5	6.3	3.2	3.2	12.19
2011	161	7	4	3	4.3	2.5	1.9	12.54
2012	154	7	4	3	4.5	2.6	1.9	13.31
2013	157	7	5	2	4.5	3.2	1.3	12.84

<sup>(1)</sup> All self-employed persons are excluded, whether or not their businesses are incorporated.

In 2013, Hawaii's proportion of hourly-paid workers earning at or below the federal minimum wage ranked near the middle among the 50 states and the District of Columbia. Tennessee and Idaho had the highest percentages of hourly paid workers earning at or below the federal minimum wage, at 7.4 and 7.1 percent, respectively. Alabama and Arkansas tied for third highest, each at 6.8 percent. The states with the lowest percentage of hourly workers earning the minimum wage or below included Oregon, California, and Washington, all less than 2.0 percent. It should be noted that, as of January 1, 2014, 21 states and the District of Columbia had laws establishing minimum wage standards that exceeded the federal level of \$7.25 per hour. (See table 1 and chart 2.)

Overall, wage and salary workers earning hourly rates in the state had median hourly earnings of \$13.62 in 2013; nationally, the median was \$12.93. The median hourly rates for men and women in Hawaii in 2013 were \$14.39 and \$12.84, respectively. (See <u>table A</u>.) For the nation, the comparable figures were \$14.00 per hour for men and \$12.12 per hour for women.

<sup>(2)</sup> Data may not add to totals due to rounding.

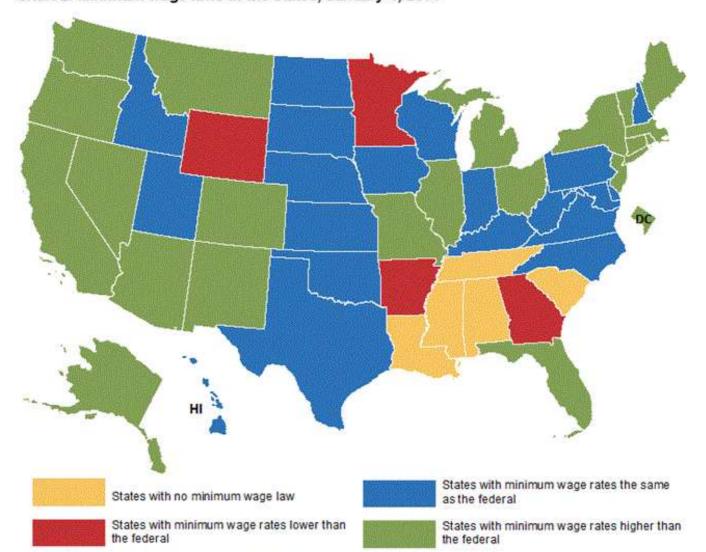


Chart 2. Minimum wage laws in the states, January 1, 2014

Source: U.S. Department of Labor, Wage and Hour Division.

## **Technical Note**

The Bureau of Labor Statistics' data on minimum wage earners are derived from the Current Population Survey (CPS). This survey is conducted monthly for the Bureau of Labor Statistics by the U.S. Census Bureau, using a national sample of about 60,000 households, with coverage in all 50 states and the District of Columbia. The earnings data are collected from one-fourth of the CPS monthly sample. Data in this summary are annual averages.

Statistics based on the CPS data are subject to both sampling and nonsampling error. The differences among data for the states reflect, in part, variations in the occupation, industry, and age composition of each state's labor force. In addition, sampling error for the state estimates is considerably larger than it is for the national data.

Minimum wage worker data, particularly levels, for each year are not strictly comparable with data for

earlier years because of the introduction of revised population controls used in the CPS. For technical documentation and related information, including reliability of the CPS estimates, see <a href="https://www.bls.gov/cps/documentation.htm">www.bls.gov/cps/documentation.htm</a>.

It should be noted that the presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law. The estimates of the numbers of minimum and subminimum wage workers presented in the accompanying tables pertain to workers paid at hourly rates; salaried and other non-hourly workers are excluded. As such, the actual number of workers with earnings at or below the prevailing minimum is undoubtedly understated.

The prevailing Federal minimum wage was \$2.90 in 1979, \$3.10 in 1980, and \$3.35 in 1981-89. The minimum wage rose to \$3.80 in April 1990, \$4.25 in April 1991, \$4.75 in October 1996, and \$5.15 in September 1997. On July 24, 2007, the Federal minimum wage increased to \$5.85 per hour; on July 24, 2008, to \$6.55 per hour; and on July 24, 2009, to \$7.25 per hour.

The principal definitions used in connection with the earnings series in this release are described below:

Median hourly earnings. The median is the amount which divides a given earnings distribution into two equal groups, one having earnings above the median and the other having earnings below the median. The median is less sensitive to extreme wages than the mean; this makes it a better measure for highly skewed distributions.

Wage and salary workers. Workers age 16 and over who receive wages, salaries, commissions, tips, payment in kind, or piece rates. Data refer to earnings on a person's sole or principal job. The group includes employees in both the private and public sectors but, for the purposes of the earnings series, excludes all self-employed persons, regardless of whether or not their businesses are incorporated.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200, TDD message referral phone number: 1-800-877-8339.

Table 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing federal minimum wage by state, 2013 annual averages

	Number of workers (in thousands)					Percent d	istribution	Percent of workers paid hourly rates			
	Total At or below minimum wage		Total	At or be	low minimu	ım wage	At or below minimum wage				
State	paid hourly rates	Total	At minimum wage	Below minimum wage	paid hourly rates	Total	At minimum wage	Below minimum wage	Total	At minimum wage	Below minimum wage
Total, 16 years &											
over	75,948	3.300	1,532	1,768	100.0	100.0	100.0	100.0	4.3	2.0	2.3
Alabama	1,125	77	44	33	1.5	2.3	2.9	1.9	6.8	3.9	2.9
Alaska	202	6	4	2	0.3	0.2	0.3	0.1	3.0	2.0	1.0
Arizona	1,421	58	24	34	1.9	1.8	1.6	1.9	4.1	1.7	2.4
Arkansas	651	44	30	14	0.9	1.3	2.0	0.8	6.8	4.6	2.2
California	8,915	118	48	70	11.7	3.6	3.1	4.0	1.3	0.5	0.8
Colorado	1,238	39	7	32	1.6	1.2	0.5	1.8	3.2	0.6	2.6
Connecticut	845	22	5	17	1.1	0.7	0.3	1.0	2.6	0.6	2.0
Delaware	203	11	5	6	0.3	0.3	0.3	0.3	5.4	2.5	3.0
District of Columbia	108	4	1	3	0.1	0.1	0.1	0.2	3.7	0.9	2.8
Florida	4,058	181	39	142	5.3	5.5	2.5	8.0	4.5	1.0	3.5
Georgia	2,162	103	54	49	2.8	3.1	3.5	2.8	4.8	2.5	2.3
Hawaii	325	15	10	5	0.4	0.5	0.7	0.3	4.6	3.1	1.5
Idaho	411	29	21	8	0.5	0.9	1.4	0.5	7.1	5.1	1.9
Illinois	3,026	96	22	74	4.0	2.9	1.4	4.2	3.2	0.7	2.4
Indiana	1,731	108	61	47	2.3	3.3	4.0	2.7	6.2	3.5	2.7
lowa	921	50	30	20	1.2	1.5	2.0	1.1	5.4	3.3	2.2
Kansas	773	35	21	14	1.0	1.1	1.4	0.8	4.5	2.7	1.8
Kentucky	1,150	49	32	17	1.5	1.5	2.1	1.0	4.3	2.8	1.5
Louisiana	1,000	53	27	26	1.3	1.6	1.8	1.5	5.3	2.7	2.6
Maine	390	13	4	9	0.5	0.4	0.3	0.5	3.3	1.0	2.3
Maryland	1,334	66	30	36	1.8	2.0	2.0	2.0	4.9	2.2	2.7
Massachusetts	1,573	54	12	42	2.1	1.6	0.8	2.4	3.4	0.8	2.7
Michigan	2,531	96	17	79	3.3	2.9	1.1	4.5	3.8	0.7	3.1
Minnesota	1,533	64	43	21	2.0	1.9	2.8	1.2	4.2	2.8	1.4
Mississippi	637	39	20	19	0.8	1.2	1.3	1.1	6.1	3.1	3.0
Missouri	1,561	73	31	42	2.1	2.2	2.0	2.4	4.7	2.0	2.7
Montana	285	6	2	4	0.4	0.2	0.1	0.2	2.1	0.7	1.4
Nebraska	567	29	17	12	0.7	0.9	1.1	0.7	5.1	3.0	2.1
Nevada	757	20	8	12	1.0	0.6	0.5	0.7	2.6	1.1	1.6
New Hampshire	369	11	6	5	0.5	0.3	0.4	0.3	3.0	1.6	1.4
New Jersey	1,908	92	34	58	2.5	2.8	2.2	3.3	4.8	1.8	3.0
New Mexico	460	20	2	18	0.6	0.6	0.1	1.0	4.3	0.4	3.9
New York	4,188	178	88	90	5.5	5.4	5.7	5.1	4.3	2.1	2.1
North Carolina	2,251	130	73	57	3.0	3.9	4.8	3.2	5.8	3.2	2.5
North Dakota	221	7	4	3	0.3	0.2	0.3	0.2	3.2	1.8	1.4
Ohio	3,304	137	32	105	4.4	4.2	2.1	5.9	4.1	1.0	3.2
Oklahoma	947	60	29	31	1.2	1.8	1.9	1.8	6.3	3.1	3.3

Note: See footnotes at end of table.

Table 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing federal minimum wage by state, 2013 annual averages - Continued

	Number of workers (in thousands)					Percent d	istribution	Percent of workers paid hourly rates			
	Total	At or below minimum wage			Total	At or be	low minimu	ım wage	At or below minimum wage		
State	paid hourly rates	Total	At minimum wage	Below minimum wage	paid hourly rates	Total	At minimum wage	Below minimum wage	Total	At minimum wage	Below minimum wage
Oregon	978	12	4	8	1.3	0.4	0.3	0.5	1.2	0.4	0.8
Pennsylvania	3,471	189	96	93	4.6	5.7	6.3	5.3	5.4	2.8	2.7
Rhode Island	286	12	2	10	0.4	0.4	0.1	0.6	4.2	0.7	3.5
South Carolina	1,128	65	40	25	1.5	2.0	2.6	1.4	5.8	3.5	2.2
South Dakota	254	12	6	6	0.3	0.4	0.4	0.3	4.7	2.4	2.4
Tennessee	1,575	117	51	66	2.1	3.5	3.3	3.7	7.4	3.2	4.2
Texas	6,270	400	223	177	8.3	12.1	14.6	10.0	6.4	3.6	2.8
Utah	773	36	22	14	1.0	1.1	1.4	0.8	4.7	2.8	1.8
Vermont	182	7	2	5	0.2	0.2	0.1	0.3	3.8	1.1	2.7
Virginia	1,806	112	58	54	2.4	3.4	3.8	3.1	6.2	3.2	3.0
Washington	1,793	30	18	12	2.4	0.9	1.2	0.7	1.7	1.0	0.7
West Virginia	446	22	12	10	0.6	0.7	0.8	0.6	4.9	2.7	2.2
Wisconsin	1,728	91	59	32	2.3	2.8	3.9	1.8	5.3	3.4	1.9
Wyoming	176	9	5	4	0.2	0.3	0.3	0.2	5.1	2.8	2.3

Note: Data exclude all self-employed persons whether or not their businesses are incorporated. These data are based on a sample and therefore are subject to sampling error; the degree of error may be quite large for less populous states.